



## DEPARTMENT OF THE INTERIOR INFORMATION SERVICE

UNITED STATES FISH AND WILDLIFE SERVICE

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### SEATON ACTIVATES PROGRAM TO FACILITATE FINANCING OF FISHING BOAT CONSTRUCTION

A mortgage and loan insurance program designed to facilitate financing the construction of modern fishing vessels was announced today by Secretary of the Interior Fred A. Seaton.

Under this program the Government guarantees the repayment of mortgages and loans up to 75 percent of the vessel cost. For this guarantee, the vessel owner will pay the Government a premium of one percent of the amount due on mortgages, except that when the mortgage is for 50 percent or less of the vessel cost, the rate will be three-quarters of one percent. The premium on loans will be one-half of one percent.

A mortgage does not apply until a vessel has been constructed and registered. The term "loan" applies to that period before completion and registry. Mortgage insurance will be limited to 15 years for a vessel. The vessel owner will protect this investment against insurable losses through private companies.

Regulations governing this mortgage and loan insurance program will appear in the Federal Register. They will be effective 30 days from date of publication. The proposals were first carried in the Federal Register on January 23, 1959. A 30-day period for comment was allowed.

The insurance function was transferred from the Maritime Administration, Department of Commerce, in April 1958, under the provisions of the Fish and Wildlife Act of 1956.

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